From: <u>Jeanne Geselbracht</u>
To: <u>Tom Hagler</u>; <u>Laura Mayo</u>

Subject: Another E&E article with a bit more info on uranium mine

Date: 09/10/2009 12:08 PM

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Subject: From Land Letter -- MINING/ENDANGERED SPECIES: Groups move to sue over uranium project north

of Grand Canyon

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MINING/ENDANGERED SPECIES: Groups move to sue over uranium project north of Grand Canyon (Thursday, September 10, 2009) April Reese, E&E reporter

Reopening a uranium mine north of Grand Canyon National Park would foul streams that drain into the park and harm federally protected species, argue three environmental groups that filed a notice of their intent to sue the Bureau of Land Management this week.

The groups -- the Sierra Club, Center for Biological Diversity and Grand Canyon Trust -- say BLM failed to consult with the U.S. Fish and Wildlife Service before it allowed the Arizona 1 mine to go forward. The agency also relied on an outdated plan of operations to make its decision, ignoring new scientific data as well as recent

species listings and critical habitat designations in the area, the groups contend in their <u>60-day notice</u> submitted Tuesday.

"We see scientific evidence that shows there's a good chance of contaminating water in the area," which would harm species ranging from the razorback sucker, a native fish, to the Southwestern willow flycatcher, a bird that inhabits riparian areas, said Stacey Hamburg, conservation program coordinator for the Grand Canyon Chapter of the Sierra Club in Flagstaff, Ariz.

Deborah Stevens, a spokeswoman for BLM's Arizona state office, said the agency surveyed the "area of direct surface impact" for threatened and endangered species and found none. Furthermore, the site already has containment ponds and other infrastructure in place to help prevent contamination of waterways, she said. Jeff Humphrey, a spokesman for the U.S. Fish and Wildlife Service's Arizona office, said the agency could not comment on the environmental groups' concerns because it is one of the recipients of the notice. "We're not in a position to respond to potential litigation in which we've been named, particularly prior to our solicitor's review," he said.

The mine, which encompasses 10 claims on 207 acres about 15 miles north of Grand Canyon National Park's northern boundary, first received approval from BLM in 1988, but only operated for two years -- from 1990 to 1992. Soaring uranium prices have spurred Denison Mines Corp. of Toronto, Canada -- which acquired the rights when it bought Energy Fuels Corp. in 1997 -- to revive operations at Arizona 1.

image removed

Allowing a uranium mine north of Grand Canyon National Park would foul streams that drain into the park and harm federally protected species, environmentalists argue. Photo courtesy of National Park Service.

Last week, Denison Mines, which merged with International Uranium Corp. three years ago, received an air quality permit from the state -- the final regulatory hurdle it had to clear to move ahead with the mine. "We've started preliminary operations already, just doing shaft inspections and hoist inspections in anticipation of moving forward," said Ron Hochstein, president and CEO of Denison Mines. "We're putting the numbers to our

And the numbers are more than encouraging: At the current uranium market price of \$45 a pound, the mine, which Hochstein expects to produce 1 million pounds of uranium over two years, could be worth \$45 million. After the mine closes, the company will fully reclaim the site, as required under federal law, Hochstein noted.

A uranium boom

board, but that's just a formality."

The Arizona 1 proposal is the vanguard project in a new Arizona uranium boom sparked by new demand and high prices. Denison Mines Corp. also hopes to reopen two other mines in the area, and other companies are pursuing uranium mining ventures below the Grand Canyon's south rim. The Arizona 1 proposal is the furthest along of the various uranium mining proposals near the Grand Canyon.

The spate of new activity in Arizona, as well as other Southwestern states, has drawn the scrutiny of not only environmental groups but also Congress and the White House.

The move to sue over the Arizona 1 mine comes as BLM prepares an environmental impact statement -- in collaboration with FWS, the Forest Service and the National Park Service -- on the Interior Department's recently announced two-year moratorium on new mining claims on federal lands around the perimeter of Grand Canyon National Park, including the area where the Arizona 1 mine is located (*Land Letter*, July 23). Arizona Rep. Raúl Grijalva (D) has introduced legislation to make the moratorium permanent.

At a House subcommittee hearing in July, some water experts said a surge in uranium mining near the Grand Canyon could lead to the large-scale contamination of water supplies -- a repeat of a half-century ago, when the region's uranium was mined to feed an expanding U.S. nuclear arsenal.

"It's unreasonable to assume the uranium contamination would be negligible," said David Kreamer, a University of Nevada, Las Vegas, hydrologist who has studied the Grand Canyon's water supplies for 25 years (<u>E&E Daily</u>, July 22).

The lower Colorado River, which carved the Grand Canyon over millennia, provides drinking water for most of the Southwest's major cities, including Las Vegas and Phoenix.

The Sierra Club's Hamburg said "legacy" pollution from old uranium mines should be cleaned up first before any new mines are approved.

Mining proponents offer assurances that new technologies and legal protections will prevent such contamination from occurring this time around. They point to a 1999 report by the National Academy of Sciences that concluded that environmental laws adequately protect water supplies from mining-related contamination. If the environmental groups proceed with their lawsuit over the Arizona 1 mine, it is unclear whether a legal victory would stop the mine.

Hamburg said the company may only be required to take mitigation measures to lessen impacts on threatened and endangered species. But BLM could be forced to undertake a new environmental review of the project, which could lead to further protective measures.

April Reese writes from Santa Fe, N.M.

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